

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

MEMORANDUM OF OIL, GAS AND MINERAL LEASE

THE STATE OF TEXAS §
 COUNTY OF TARRANT §

For an adequate consideration, the receipt and sufficiency of which is hereby acknowledged Powell, James E (herein called "Lessor"), whose address is 900 Meadowlark Dr, Mansfield Tx 76063 has GRANTED, LEASED and LET to Granite Resources, LLC, (herein called "Lessee"), 555 Republic Drive., Suite 113, Plano, Texas 75074 for the purpose of exploring by geophysical and other methods, mining, operating for and producing oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), or other minerals, the following tract(s) of land (herein called "said Land"), in Tarrant County, Texas, to wit:

Blk 15 Lot 60, of North Ridge Sub (Mansfield), an Addition to the City of Mansfield, Tarrant County, Texas, situated in the F.B. Waddell Survey, Abstract No. 1658, of the City of Mansfield, Tarrant County, Texas.

For and during the term of three (3) years from December 23, 2009 (called the "Primary Term") and as long thereafter as oil or gas or other mineral is produced in paying quantities from said Land, or land with which said Land is pooled, according to terms and provisions of that certain Oil, Gas and Mineral Lease agreement ("said Lease") dated December 23, 2009, between the parties hereto. An executed copy of said Lease is in the possession of the Lessor and Lessee, and said lease with all of its terms, covenants and provisions, is incorporated herein by reference and made a part hereof for all purposes.

This instrument may be executed in counterparts, which can be combined in one or more instruments for recordation.

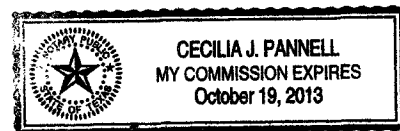
IN WITNESS WHEREOF this instrument is executed on this the 23rd day of December, 2009, but to be effective December 23, 2009.

LESSOR:

By: James Powell
 Powell, James E

By: _____

THE STATE OF TEXAS §
 COUNTY OF TARRANT §



This instrument was acknowledged before me this the 23rd day of December, 2009 by Powell, James E, as lessor.

Cecilia J. Pannell
 Notary Public, State of Texas

THE STATE OF TEXAS §
 COUNTY OF TARRANT §

This instrument was acknowledged before me on this _____ day of _____, 20__ by _____, as lessor

 Notary Public, State of

LESSEE: GRANITE RESOURCES, LLC

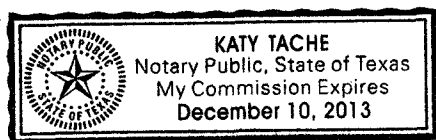
[Signature]
 Title: Managing Member

THE STATE OF TEXAS §
 COUNTY OF TEXAS §

This instrument was acknowledged before me on this 14 day of January, 2010 by

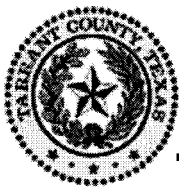
David Wolchansky, Managing Member of Granite Resources LLC, Lessee.

Katy Tache
 Notary Public, State of Texas



SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

GRANITE RESOURCES LLC
555 REPUBLIC DRIVE #113
PLANO, TX 75074

Submitter: GRANITE RESOURCES LLC

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 1/20/2010 10:13 AM

Instrument #: D210012915

LSE

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PGS

\$16.00

By: _____

Suzanne Henderson

D210012915

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: CAMADDOCK